

December 23, 2021
Maine Milk Commission Meeting Minutes
Room 101, Deering Building
Augusta, Maine 04333

Notices for the December 23, 2021 meeting were distributed to Commission members, intervenors and other interested parties on November 18, 2021 and sent to the Secretary of State's Office for posting on November 18, 2021.

Commission Present: Mike Wiers, Stanley Millay, Colon Durrell, and Richard Cook.

Commission Absent: None

Department Officials: None

Staff Present: Julie-Marie Bickford, Executive Director, Carol Gauthier, Office Associate, II, Joy Bonenfant, Resource Administrator

Legal Counsel: Caleb Elwell

Others Present: Dale Cole and Heath Miller, Maine Dairy Industry Association; John Blake, H.P. Hood; Bob Proulx, Oakhurst; Bill Randall, Agri-Mark; and Mary Frank, member of the public.

Chairman Wiers called the meeting to order at 10:36 a.m.

Linda Stahlnecker, DACF Division of Quality Assurance & Regulation - Maine Milk Lab, will be the DACF Commissioner's Designee to the Milk Commission, effective December 23, 2021.

Agenda Item 1: Minutes: Stanley Millay made a motion to accept the minutes of the November 18, 2021 meeting. Colon Durrell seconded the motion. Motion passed 4-0.

Agenda Item 2: Caleb Elwell, Assistant Attorney General: Nothing new to report.

Agenda Item 3: Minimum Prices:

Julie-Marie Bickford reported a prevailing premium of \$1.04/cwt. on Class I for December 2021, Agri-Mark and DFA reported no changes for December 2021. Federal Order One Class I price for January 2022 is \$22.96, an increase of \$0.54/cwt. The Class II price for November 2021 was \$18.40/cwt, a \$1.32/cwt increase over \$17.08 in October 2021. She explained that a schedule was prepared using this information plus a producer cost of production adjustment (COPA) of \$1.63/cwt. She stated that this price schedule was for informational purposes and that the Commission was not bound to it, and they should make their pricing determination after hearing testimony.

Chairman Wiers asked for testimony.

Dale Cole stated the situation on the farms has not improved. He said the Milk Commission continues to be an important factor in the financial sustainability of the farms, and it was necessary to maintain the premiums going forward. He said that the cost of labor – when available - continues to be a huge struggle for Maine farms, as well as other parts of the industry.

Bob Proulx asked if the Cost of Production is adjustable, noting the chart in the packet that showed a consistent level over the last year.

Julie-Marie Bickford explained the process involved with determining the cost of production was unique and was determined each month after hearing testimony, as compared to the studies and rulemaking process for the dealers and retailers that provide a set adjustment in the pricing formulas until the next study and adoption of a new rule every 3 years.

Dale Cole was concerned that the quota or base-excess adjustments set by the co-ops were not taking into account the supply-and-demand dynamics of our region. He also was troubled by the lack of products like cream and eggnog on retail store shelves.

There was no further discussion.

Chairman Wiers asked for a motion.

Stanley Millay made the motion to accept order #1-22 with a Commission premium of \$1.04/cwt. and a COPA of \$1.63/cwt. Richard Cook seconded the motion.

Colon Durrell noted that the Class I price was up a bit, but still less than in 2020, which had the same cost of production adjustment.

The motion passed 4-0.

Agenda Item 4: Maine Monthly Price Survey: Julie-Marie Bickford stated that she had performed a price survey in all areas of the state as normal. There were a few locations that had shelving display issues, but the prices were correct at the register. The IAMCA price survey was not available.

Agenda Item 5: Next Scheduled Meetings:

- January 20, 2022, **4:00 P.M.**, Room 101, Deering Building, Department of Agriculture, Conservation & Forestry, Augusta, ME
- February 24, 2022, 10:30 A.M., Room 101, Deering Building, Department of Agriculture, Conservation & Forestry, Augusta, ME
- March 18, 2022, 10:30 A.M., Room 101, Deering Building, Department of Agriculture, Conservation & Forestry, Augusta, ME
- April 21, 2022, 10:30 A.M., Room 101, Deering Building, Department of Agriculture, Conservation & Forestry, Augusta, ME
- May 19, 2022, 10:30 A.M., Room 101, Deering Building, Department of Agriculture, Conservation & Forestry, Augusta, ME

Agenda Item 6: Other

- A. **FY 2022 Financial Report.** Julie-Marie Bickford noted that the carryover amounts that fund the respective surveys have been impacted by efforts to reduce production. She suggested having a more in-depth discussion at the January 20, 2022 meeting to review the impacts and discuss options available to respond.
- B. **Ch 26 – Major Substantive Rule Legislative Review (LD 1805 – Producer Margin)** Julie-Marie Bickford reported that the Legislature’s ACF Committee have scheduled a public hearing on LD 1805 for Tuesday, January 11, 2022 at 9:15 A.M. to discuss adopting the producer margin rule, which would also put in place new tier support levels for the Dairy Stabilization “Tier” Program. New numbers have not been adopted since 2012.
- C. **CH 29 Dealer Margins hearing** - A hearing is scheduled for today, directly after the regular meeting.
- D. **Remote Meeting Policy** – Julie-Marie Bickford reported that after discussions with Caleb Elwell in the AG’s Office, each Maine board and commission needs to adopt a remote meeting policy before using that form of meeting under any circumstance. They will work together to come up with a draft proposal to be discussed at the February 17, 2022 Commission meeting.
- E. **Executive Director Transition,** Julie-Marie Bickford stepped into the role of Executive Director on December 1st and has been working with former Executive Director Tim Drake, who will complete his 3-month transition contract on December 31, 2021. She thanked Tim for his guidance and example and led a round of applause in honor of his many years of service to the Commission.

Agenda Item 7: Executive Session: None

Adjourned: Adjourned; 10:57 a.m. December 23, 2021.

Julie-Marie Bickford, Maine Milk Commission